

WAYNESBORO BOROUGH AUTHORITY

DECEMBER 18, 2007

MINUTES

Authority Chairman Jon Fleagle called the meeting of the Waynesboro Borough Authority to order at 7:30 p.m. with the following in attendance:

Borough Authority Members – Jon Fleagle, S. Allen Stine, Christopher Snively, Lee Layman and William Pflager

Borough Staff – S. Leiter Pryor, Director of Borough Utilities
D. Lloyd Reichard, II, Authority Solicitor
Scott Crum, Draftsman-Inspector

APPROVE MINUTES: Chris Snively made a motion to approve the minutes of the November 27, 2007 regular meeting as corrected. Lee Layman seconded; the motion passed unanimously

SOURCE DEVELOPMENT UPDATE: Mr. Pryor reported that Gannett Fleming held a kick-off meeting for the final design of the membrane filtration treatment system. Gannett Fleming has forwarded the contract documents for the membrane equipment for the Authority's execution. The time frame for the project going out to bid should still fall in February or March, as planned.

FINANCING OPTIONS (McCleaf Well): Mr. Pryor talked to Daryl Ackerman and Lloyd Reichard about a bond issue for the well project. Both of them feel that, with the overhead incurred with a bond issue, conventional bank financing would be a more viable option. Mr. Pryor reported that, with conventional bank financing, the current fixed rate is 4.75 to 5.0% interest for a 20-year term. The debt service on 20-year loan at 5% would be about \$198,000.00 per year. In 2008, the Authority's debt service will be reduced by \$225,000.00. Mr. Pryor stated that the debt service for the new well will fall within the WBA'S current debt requirements, and it appears that no water rate increase will be necessary to help fund the project. Lee Layman asked about adjustable rate financing. Mr. Pryor stated that the adjustable rate was around 4.65%. Jon Fleagle stated that the Authority will need to decide which financing option to use in February.

ENTERPRISE AVENUE PUMP STATION UPDATE Mr. Pryor reported that the new pumps arrived today. The manufacturer is still working on the motor control centers and the switch gear for the new generator. Due to the supplier's equipment delays, the contractors are requesting a 30-day time extension. Lee Layman made a motion to grant a 30-day time extension on all three (3) contracts. William Pflager seconded; the motion passed unanimously.

PENN STATE TIMBER MANAGEMENT AGREEMENT: Mr. Pryor reported that the agreement was revised to incorporate all the changes and corrections stated at last month's meeting. Lloyd Reichard has reviewed the agreement. Jon Fleagle asked why the Borough of Waynesboro was a signatory on the agreement. Mr. Pryor stated that some of the property in the watershed area is deeded to the

Borough of Waynesboro, and the original 1950 agreement was with the Borough. Allen Stine made a motion to execute the agreement. Chris Snively seconded; the motion passed unanimously.

SEWAGE PLANNING EXEMPTION (Turkey Hill): Mr. Pryor stated that a new tap would be installed from an existing main. The EDU calculation for Turkey Hill will be 4.2. The Authority's existing facilities will be able to accommodate the flow. Lee Layman made a motion to execute the exemption. William Pflager seconded; the motion passed unanimously.

LAND APPLICATION BIOSOLIDS AGREEMENT: Mr. Pryor reported that we have found a prospective new farm for biosolids application. The farm is located on Hollowell Church Road and is owned by Frank Barr. Mr. Barr is willing to enter into an agreement with the Authority. Lee Layman asked if there could be an automatic renewal statement in the agreement after the five-year term is up. Jon Fleagle requested that automatic renewal language be placed in the agreement. Lloyd Reichard asked Mr. Pryor to contact him with the information needed to add this.

WATER SERVICE REQUEST (Shady Lane Zullinger): Mr. Pryor presented plans of a three-lot subdivision on Shady Lane in Zullinger. Scott Crum stated that the Authority has adequate pressure and volume to serve these three (3) lots. Chris Snively made a motion to send the Washington Township Municipal Authority a letter stating that we can serve these lots. William Pflager seconded; the motion passed unanimously.

PAY BILLS: William Pflager made a motion to pay the following requisitions:

Hollengreen Utilities Escrow Account Requisition #HE-27 - D & M Electrical and Automation, Inc. - \$12,127.95 - Enterprise Avenue Pumping Station Rehabilitation (Contract Three - Electrical Work) – Estimate No. 3 for work performed up to and including December 7, 2007

Hollengreen Utilities Escrow Account Requisition #HE-28 - Gannett Fleming Companies - \$2,750.97 - Construction Phase engineering services relative to the Enterprise Avenue Wastewater Pumping Station Upgrade for the period of September 29, 2007 through October 26, 2007

Water Requisition #07-26 - Reichard Law Offices, LLC - \$22.50 - Filing fee at Courthouse for Lease Addendum

Source Development Fund (Water Requisition) #SD-155 - Gannett Fleming Companies - \$1,339.15 - Preliminary design, final design and bidding of Well No. 2 membrane facilities for the period of September 29, 2007 through October 26, 2007

Lee Layman seconded: the motion passed unanimously

Having no further business to discuss, Lee Layman made a motion to adjourn at 8:15 p.m. Allen Stine seconded; the motion passed unanimously.

Respectfully Submitted,

Scott Crum
Draftsman-Inspector